

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

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Boston Edison Company, Cambridge)	D.T.E. 03-121
Electric Light Company, and)	
Commonwealth Electric Company)	
d/b/a NSTAR Electric)	
)	

DIVISION OF ENERGY RESOURCES' FIRST SET OF INFORMATION AND
DOCUMENT REQUESTS TO MASSACHUSETTS ELECTRIC COMPANY AND
NANTUCKET ELECTRIC COMPANY

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Division of Energy Resources ("DOER") to Massachusetts Electric Company and Nantucket Electric Company ("the Companies"), in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Companies or its witness(es) receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.

4. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
5. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
6. Please serve a copy of the responses on Mary Cottrell, Secretary of the Department of Telecommunications and Energy (“DTE”), and a copy on William Stevens, Hearing Officer for the DTE, as well as serving the appropriate number of copies to all parties and participants on the service list in this proceeding.
7. Please provide responses to all questions within 10 days (filed no later March 9, 2004). If this is not possible for any of the questions, please indicate which questions will take longer than 10 days within the earlier responses.

Information and Document Requests

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| DOER-NG-1-1 | Referring to page 6, lines 12-14, and Mr. Gavilondo's statement that "because customer on-site generation is not generally widespread, there is a lack of diversity resulting from such generation at the local distribution level," please explain the point at which the installation of on-site generation becomes widespread enough for such generation to increase load diversity. |
| DOER-NG-1-2 | Referring to page 12, line 1, please elaborate on the "predetermined criteria" the Company would use to determine a discount.

a) What would be the “predetermined criteria?” |

b) What methodology was used to select these criteria?

DOER-NG-1-3 Referring again to Mr. Gavilondo's testimony at page 12, lines 1 through 2, please explain what amount of discount the Company would consider appropriate, and how that discount would be calculated. What factors would be used in determining the amount of discount?

DOER-NG-1-4 Refer to page 13, lines 13-15, and Mr. Gavilondo's excerpt from the Rate Plan Settlement, that "any new back-up rate filed by Mass. Electric 'will be designed to recoup the net lost revenues attributable to the subset of customers to which the Auxiliary [i.e., back-up] Service Provisions would apply.'"

a) Please provide a copy of the Rate Plan Settlement.

b) Please reconcile this statement with the Department's review following statement from the Order on the Rate Plan:

Because it is outside the scope of this proceeding, the Department does not make any findings on the appropriateness of an Auxiliary Service Rate at this time. However, in addressing new on-site generation as an exogenous factor in any future Exogenous Factors Adjustment proceeding, the Department at a minimum will consider: (1) what method of analysis should be used to quantify the economic impact on the Company of new on-site generation; (2) the potential impact of assessing a special fee to certain customers installing new on-site generation on the emergence of new beneficial technologies; and (3) the extent to which revenue losses from new on-site generation should be recovered through a balance between special fees and the ratepayers within the designated rate classes (Tr. 1, at 91-93).

c) Do the Companies believe that the Department has already approved the recovery of new lost revenues through back-up rates in nay future filing of the companies?

DOER-NG-1-5

Referring to page 14, lines 18-21, and Mr. Gavilondo's statement: "For distributed generation to provide real and reliable benefits on the distribution system, the operation of such generation must be subject to the control of the utility."

a) Please provide copies of Massachusetts Electric's Targeted Demand Response Program filed with the Department on May 24, 2002, and the extension filed May 1, 2003 (DTE 03-53).

b) Please describe how the Company calculated the value of deferring the costs for distribution line upgrades to determine the appropriate credit paid to responding customers.

c) Are customers participating in that program eligible for credits if they utilize on-site generation to reduce their load when they are called upon?

d) Please explain how the value the Company has placed on such deferrals is consistent with the statement above. Please indicate whether the Company considers such price signals to constitute a form of control.

DOER-NG-1-6

Referring to Provision (iii) of Exhibit CAG-1, please explain the rationale for excluding such technologies from the back-up rates proposed in the Rate Plan Settlement.

- DOER-NG-1-7 Referring to page 5 at 1-18, please provide calculations and related workpapers or accurate estimates and workpapers of the levels of diversity between individual customer loads at the aggregate system level and the Company's distribution plant level.
- DOER-NG-1-8 Please provide the rate sheets for all customers requiring non-firm standby service from the National Grid companies (Massachusetts Electric and Nantucket Electric).
- DOER-NG-1-9 Please provide a forecast of growth in standby service in National Grid's Massachusetts territories.

Dated: March 26, 2004

CERTIFICATE OF SERVICE

I, Steven I. Venezia, Esq., hereby certify that I have served the foregoing documents upon the service list in the above-docketed proceeding in accordance with the requirements of 220 CMR 1.05, this 26th day of March 2004.

Steven I. Venezia, Esq.